Edmonton's employment increases in February 2017

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Employment in the Edmonton region increased in February, with gains largely in part-time employment. February's increases were concentrated in the financial services, retail and hospitality sectors. Employment fell in the manufacturing and energy sectors.

While employment increased by approximately 2,600 positions in the Edmonton Census Metropolitan Area (CMA), the unemployment rate also increased. Unemployment increased from 8.1% in January 2017 to 8.3% in February 2017. This was the result of about 5,100 individuals entering the region's active labour force. The unemployment rate for Calgary in February 2017 was 9.4%.

Labour Force Survey Results – Edmonton Census Metropolitan Area

Three-month moving average – seasonally adjusted

	Feb 2016	Jan 2017	**Feb 2017**	Jan 2016 to Feb 2017	Feb 2016 to Jan 2017	Jan 2017 to Feb 2017	Feb 2016 to Feb 2017
	(000)	(000)	**(000)**	(000)	(000)	%	%
Population (15 years and older)	1113.8	1128.3	**1129.6**	1.3	15.8	0.1	1.4
Labour force	835	813.3	**818.4**	5.1	-16.5	0.6	-2.0
Employment	778.1	747.7	**750.3**	2.6	-27.8	0.3	-3.6
Unemployment	57.0	65.6	**68.2**	2.6	10.7	4.0	18.6
Unemployment rate (%)	6.8	8.1	**8.3**	0.2	1.4	...	...
Participation rate (%)	75.0	72.1	**72.5**	0.4	-2.5	...	...
Employment rate (%)	69.9	66.3	**66.4**	0.1	-3.4	...	...

Source: Statistics Canada

Employment in Alberta was essentially unchanged in February 2017. There was a gain of 19,300 full time jobs which was largely offset by a drop of 18,000 part-time positions, for a net job gain of approximately 1,300 positions. For the province, employment gains were concentrated in manufacturing and the energy sectors. Alberta's unemployment rate dropped from 8.8% to 8.3% as the number of people searching for work decreased in February 2017.

As with Alberta, Canada's overall employment was up only modestly, with the addition of 15,000 positions. Most of Canada's job gains were in retail and wholesale trade, business services logistics and public administration. As a result, Canada's unemployment rate was down from 6,8% in January to 6.6% in February 2017.

Significance

Edmonton's recent job losses in the goods producing sector demonstrates the region is not immune to the impact of decreased oil prices. However, there continued to be gains in services such as logistics, education and healthcare sector.

Over the first half of 2017, employment in Edmonton will stabilize and begin to grow, particularly in areas of manufacturing and professional services. However, the unemployment rate will continue to rise toward the 8.5% range as the local labour force expands.

Growth in the number of job seekers, up 1.4% from February 2016 to February 2017, has been an important factor in moderating wage increases by addressing labour and skill shortages that began to emerge in Edmonton prior to the downturn in energy prices. With Edmonton's unemployment rate at 8.3%, partnered with job gains across Canada, net migration into the region has slowed down, especially when compared to the volumes seen over the past several years.

Limitations

Since employment trends, particularly in the full-time category, tend to lag behind developments in overall economic activity, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force values for the Edmonton region, an approach that sometimes results in the number of reported jobs lagging behind developments in the Edmonton region's economy.

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